

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

THE GARRARD COUNTY WATER ASSOCIATION,)
INC., APPLICATION FOR CERTIFICATE OF)
PUBLIC CONVENIENCE AND NECESSITY,) CASE NO. 8968
APPLICATION FOR ORDER AUTHORIZING)
ISSUE OF NOTE, AND APPLICATION FOR)
ORDER AUTHORIZING RATE TARIFF.)

O R D E R

IT IS ORDERED that Garrard County Water Association, Inc., ("Garrard County") shall file an original and seven copies of the following information with the Commission with a copy to all parties of record by February 23, 1984. Garrard County shall also furnish with each response the name of the witness who will be available at the public hearing for responding to questions concerning each area of information requested. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case may be dismissed.

You have proposed to use the most recent (1983) financial statements as the basic test period date in order to determine the reasonableness of the proposed rates. If you have reason to believe some of the items of revenue and expense listed in the income statement will increase or decrease, please use the attached schedule to list the adjustments. Be advised that it is the policy of the Commission to allow only known and measurable increases to actual test period expenses.

1. Please state for the record the total amount of increased revenue requested.

2. State reasons why the increase is required.

3. Did Garrard County investigate any sources of financing other than FmHA? If yes, provide the results of this investigation.

4. What percentage of line loss was realized during the test period?

5. Provide copies of invoices for the account, Repairs Expense, for the test period (limited to invoices of \$50 or more.)

6. In regard to Legal Fees and Auditing Fees for the test period, provide the following:

- a. Name of person performing services.
- b. Description of services.
- c. Hourly rate.
- d. The number of hours devoted weekly and/or monthly to these services.

7. Provide a breakdown of Computer Processing Expense for the test period.

8. Provide a breakdown of Employee Benefits to include the following:

- a. Description of benefits provided.
- b. Cost associated with each benefit.
- c. Names of those to receive the benefits.

9. Provide the following information regarding the Salaries Expense account:

- a. Name and title of employee.
- b. Description of services.
- c. Base salary and/or hourly rate.
- d. The number of hours devoted weekly and/or monthly to these services.

10. Provide a breakdown of the Other Expenses account for the test period.

11. Provide the following information related to Utility Plant in Service:

- a. A depreciation schedule.
- b. A list of additions (retirements) during test period.

12. Provide a preliminary amortization schedule for the proposed bond issue along with a copy of the bond ordinance for that issue. Also, provide a copy of the bond ordinance for the current bonds outstanding.

13. In regard to the Director's Fee, please provide the following:

- a. Name of the director.
- b. Description of services.
- c. Base salary and/or hourly rate.
- d. The number of hours devoted weekly and/or monthly to these services.
- e. Please state reasons why this expense increased by \$1,050 during the test period.

14. Please provide a copy of Garrard County's water purchase contract.

15. Provide the following information concerning the account, Insurance Expense:

- a. Yearly premium.
- b. What does the policy cover?

16. Provide a breakdown of the account, Other Accounts Receivable.

17. Provide a breakdown for the account, Interest Expense.

18. If the proposed construction will add additional customers, provide the following:

- a. Expected additional customers to be served.
- b. Additional gallons of sales per month.
- c. Estimated additional expenses to serve these customers other than purchased water (provide the basis for this estimate.)

19. Billing Analysis showing consumption and revenue for each category of service under present and proposed rates.

20. A reconciliation of present billing analysis revenue with the test period income statement, if variation exists.

Done at Frankfort, Kentucky, this 7th day of February, 1984.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Secretary